1870-71 (L. R.).

File. No: 6
Serial. No 1-5

Sub: The remission of Sayer System in 1870

1870-71
(L.R)

File no 6
Sls. 1-5.

The Revision of Sewer System
in 1870.

Indexed
Dy

No. 25

Memorandum 541

With reference to the correspondence re=garding the revision of the Sayer system I beg to submit the following report.

2 The question under reference arose with the Deputy Accountant General, who in submitting an opinion on an application from Capt^n^ R. H. Taylor offering to farm the Sayer Revenues of the Pro=vince, commented upon the existing system of collecting this Revenue as defective and affording facilities for fraud. The Deputy Accountant Gl's views were circulated to the Superintendents, whose opinions are submitted in the accompa=nying tabular Statement prepared in the Duftar Department.

3 The substance of the Deputy Accountant General's proposals may be briefly summed up thus - He would assess the demand for Sayer duty on standing crops and make the cultivator responsible for its payment as he is for other demands upon his lands, and he would delegate this duty of assessing the crops to an Officer not lower in rank than an Assistant Superr^tt^,

the

the materials for arriving at a settlement being pre-
-pared and furnished by the Talook Officials.

4. The Deputy Accountant General's remarks embrace the 6 dutiable articles noted in the margin, and it may be incidently mentioned, that the revenue from one of them, (Coffee) is included in Land Revenue, and is not a part of the Sayer Revenue. He thinks that the assess-ment on Sooparee and Cocoanut could be conve-niently based on the number of trees in bearing, while the estimated assessment on Tobacco and Betel leaves, could be arrived at with reference to the area under cultivation.

× Sooparee
Tobacco
Cocoanuts
Betel leaves
Piece goods.
Coffee.

5. With regard to Piece goods he observes, that as a means of check, the Deputy Superintendents of Districts may be directed to call for Returns of the actual quantity of cloth manufactured, exp-orted and retained for home consumption res-pectively. As no material change in the present system of collecting the Coffee Halut is suggested, this item of revenue may perhaps be set aside as forming a subject which may be considered of itself when occasion arises.

6. The opinions of the 3 Superintendents

on

on these propositions will be found in the tabular statement already referred to, so that all that remains to be done is to submit a few statistics in connection with the Sayer Revenue of past years which speak for themselves.

7. In the month of March of the year 1864 the Sayer revenue, which was collected on 24 Articles, realized Rupees 11.87.071 both on exports & imports to and from H. M's Territories. In April 1864 the duty on 15 Articles of the 24 was abolished by the Commissioner's Notification which resulted in a falling of Rs. 241.199, and again of the remaining 9 articles, the duty on exports and imports to and from H. M's Territories only 7 articles having been removed from 1st January 1865 there was a further reduction of Rupees 162.766. Thus it will be seen that after the voluntary sacrifice made by Government the Sayer revenue was reduced from Rs 11.87.071 to 78.34.96 which is the amount that may be reasonably expected as the average receipt per Annum. But on a reference to the accounts for 1869/70 it would appear that the Revenue for

7,83,496-2

for that year amounted to 8,56,136 or Rs. 72,640 in excess of the average revenue which may be distributed in equal proportions among all the dutiable goods, excepting Opium.

8 With regard to the Deputy Accountant General's proposals, I beg to state, that as they have been so fully and comprehensively dealt with in the remarks submitted by the Supdts, it would be superfluous to add any further comments, when all that can be said in respect of the measure has been said; but I would add that the proposal regarding the preparation of Returns of the actual quantity of cloth produced, exported and retained for home consumption seems a judicious one, and could be adopted with much advantage, though the enquiries that will have to be made to obtain these results will necessarily be of a prying nature and likely to be converted into instruments of oppression.

9 Under all the circumstances that have been reported it would seem, that no further revision is necessary beyond the entertainment of a few paid Sayer Officials, a course which it will be observed is advocated by the Supts

of

of the Nandidroog Division. These Officials to be appointed in substitution of the Agency now employed Viz. the Shaikdars. It is much to be apprehended that the loose control exercised by the Shaikdars, is of a larger magnitude than is anticipated, because it is evident that a Shaikdar cannot under any circumstances be expected to look to the collection of the duty personally, as his own Office and other such duties must constantly take him away just when his presence is most needed to prevent smuggling.

10. It may be noted that the Majority of the 83 Talooks contribute very small proportion towards the Sayer Revenue. There are only 10 Talooks which yield a Revenue of more than 20,000 Rupees annually 6 Talooks which yield 10,000 and upwards, and 67 Talooks which yield less than 10,000.

11. The old Sayer establishment was abolished, simply because the abolition of the duty on the goods already enumerated reduced the income considerably, and it was considered inexpedient to maintain an establishment at

at a large cost, without corresponding advan=
=tages, but as it is shewn above that there are
only 20 Talooks of importance which yield a
large revenue it seems that the entertainment
of additional hands at an increased charge to
collect the Revenue in these Talooks is more than justifiable.
I am therefore of opinion that while retaining
the existing agency generally for the whole Province
it would be advisable in consultation with
the several Superintendents, to sanction the
entertainment of a few Sayer Servants on Sa=
=laries to be hereafter determined, for all the
principal Talooks in the Province, which may
very conveniently be classified with reference to
the actual Sayer Revenue realized every year.

12. The delay in submitting this report
is owing to the Survey Commissioner's report
on the subject, which is still not received,
having been awaited.

27th May 1871. C. P. Dalrymple

The questions mooted in this Correspce are
briefly:
1st Admitting the failure of the existing system
of collecting the Sayer Duty on the articles
enumerated in the margin, what system can
& deserves to supercede it
2nd Whether the Duties now exempted on Cocanuts,
Betel leaves, Piece goods & Opium when exported
& their Revolutions, shall be commuted into an
Excise, Chargeable on Removal of the Commodity
from the Place of Production, with that reference

1 Supari
2 Tobacco
3 Cocanuts
4 Betel leaves
5 Piece goods
6 Coffee
7 Opium

C.S.R.

& destruction -
There is a 3rd question incidentally raised - whether the Duty on Cloth goods shall not be abolished but may be separately considered -

As to the 1st head, the proposal of the Dy Collector is to assess the area only as an Excise on the Crop & in the case of Supari & Cocoanut, on the trees bearing, in that of Tobacco & Betel leaves, on the area under cultivation, in that of Coffee, on the standing crop, and in that of Cloth goods, on the product of the looms - The Supts are unanimous in deprecating these proposals, as well as the agency of the Ryots upon which it is proposed to employ in the process

7/16 Jan/71. The Off Supt Kandrigam in his report points out that in regard to Tobacco & Supari, in that Dist., the plan of assessing the Returns annually is followed - but owing to the want of Establishment, very imperfectly -

As to Excising the Toddy System, the Supt of Ashtagram considers that "present one is the best if properly worked" - The Supt of Nagar is apparently of the same opinion - The Supt of Kandrigam proposes to re-establish the old Sayer Est on a modified and economical footing - Assuming that there are many Talaries & parts of Talaries in which none or only an insignificant quantity of the Dutiable Commodities are produced, he would appoint Sayer Moothuddies in adequate pay to groups of Kottahs or Circles, the area of which would correspond with the Limit of duty to be realized - In this manner the Sayer Est would be reduced to very moderate proportions for there are many Kottahs, it is believed, in which one Moothuddy wd suffice - The pay of the Moothuddies shd enable them to keep a horse, and move constantly over their Circles - 2 classes salaries at 20 & 15 Rs respectively might be formed - The Moothuddy shd be enjoined to furnish both one or two peons or peyadas for his service - The cost of this Establishment would be more than counterbalanced by the abolition of the Commission now paid to Shanboguns & Village Officials whom, under the existing system, there is rarely seldom leach - In the Kandrigam Dist alone, this saving would amt to Rs 3538 - On the other hand the realization would, beyond a doubt, be so largely increased as to more than cover the cost - Whatever may be the financial result however, the formulation of a well organized mode of collecting the Duties in lieu of the present Corrupt & demoralizing system, ought to be taken into consideration -

With regard to the 2nd head of enquiry - Whether the Excise has

Memorandum.

No 15

Sheet 25

Leaves on Sapan, Tobacco & Coffee, shall be
taken by the Mun Duleah system, in pursuance
of the Supt of Tavoy's & Mergui are not given.
The off-duty of Rangoon is opposed to such
a measure in respect of such commodities
as Cocoanuts, betel leaves, & Cutch wood, as
these are not products peculiar to the Province
or in which the Province excels. In such cases
would be open to object of placing them at a disadvantage
with the cultivators over the frontier. On the other hand
the exemption in favor of Sapan & Mun territories
appears much open to smuggling, and if it be
deemed necessary to give a duty to protect the Revenue,
to impose an excise, the latter would be
the lightest. The Supt. of Mergui sees no
reason to exempting Cocoanuts Sapan &
Mun territories from duty - except that it is
open to local objection

Murray M Clarke
Offg

10 Sept 71

Asst to Chief Commissioner

* The duty on Coffee is virtually a tax on the land.

27-5-71

Opinions of Deputy Superintendents on the Deputy Accountant General's proposal to revise the present system of collecting excise duties.

Opinions of Deputy Superintendents on the Deputy Accountant General's proposal to revise the present System of collecting excise duties.

Deputy Superintt of Bangalore

Letter to Superintt No 789 of 29th Nov 1870

Observes that it would be difficult to assess each crop annually according to the out-turn, but thinks if the assessment be levied on the area of land under Tobacco cultivation &c there would be many advantages over the present system and describes a scheme by which he would ascertain the average out-turn of a Coodae of land of every kind of produce, calculate the proportionate excise at existing rates on such out-turn, deduct one tenth of this amount for bad crops, the remaining 9/10 being the actual and only assessment on the land, which will be retained only as long as the land is under Special cultivation of Tobacco, Cocoanut, &c.

Deputy Superintendent of Holar.

He thinks that Dry and Green Cocoanuts and Betel may be treated like Sooparee, Tobacco and Coffee and an excise levied without reference to whether they are exported to H. M's Territories or retained for Home consumption, and that piece goods may be exempted altogether from the duty in the interest of the local manufacturers.

The Deputy Superintt holds that the present Amani system has proved a complete failure, and yet he is opposed to the entertainment of a special Sayer Establishment on the ground that the Revenue in some places will not meet the cost. He therefore thinks there would be no difficulty in forming out the Revenue, after clearly determining the rates and the mode in which the excise should be collected, and that the Revenue would improve under this arrangement.

The percentage allowed to Shanbhogs &c is in his opinion a useless charge to Govt, and does not afford adequate remuneration.

No special provision was necessary in the Proclamation of 1860 for the levy of separate export duties while it was made clear in it that duty should be levied on produce when removed from the place of production.

The process of assessing produce suggested by the Deputy Accountt General has been always in force. Revenue Officers first take a list of Sooparee and Cocoanut trees in bearing. The Sayer servants then estimate the crop, make a certain deduction on account of the Ryot's Home consumption, ascertain the quantity stored by him and examine the stock on which duty was paid and that left in store. It would be almost impossible he adds for this work to be performed by Assistant Superintts, even with the present large staff of Officers of that class.

The means of check in respect of piece goods proposed by the Deputy Accountant General were formerly tried, when cloths were stamped before they were removed from the Manufactories, and an account kept; but as the system proved to be inquisitional it was abolished in 1860. He therefore proposes that duty on piece goods may be absolutely and entirely abolished, the loss accruing thereby being made up by indiscriminately taxing Cocoanuts and Betel, in other words making no exemption of duty for all exports or imports of these 2 Articles.

Deputy Superintt of Soomkoor.

Letter to Superintt No 662/127 of 8th Decr 1870

Is of opinion that the Deputy Accountant General's proposal to impose an assessment on the number of trees in bearing or on the area of land under the cultivation of Tobacco and Betel would tend to discourage the cultivators, as the tax would fall heavily on them. As an illustration he takes the case of a garden of 1000 Sooparee or Cocoanut trees, the produce of which would be about 100 Maunds and the present assessment Rs 60. The addition of existing Sayer rates (12 annas per Maund) would increase the demand by 75 Rs making it Rs 135 in all.

He is therefore of opinion that an excise duty should be levied on all Articles produced in the Province and intended for exportation beyond the Frontier and suggests that this rule may be applied to Piece goods also, or an additional tax on Looms imposed.

Deputy Superintt of Mysore.

Letter appended to Supdt's No 1792/73 of 18th January 1871.

After adverting to the facilities that exist for evading payment of duty and to the inefficient Control at present exercised over the Collections, the Deputy Superintendent proposes as the only alternative to remedy these defects, an increase in the number of Cutts and Sayer Establishments.

Betel leaves being always in season it would be very difficult to estimate crop and fix the duty, but the Deputy Supdt thinks that the gardens may be assessed without reference to the produce, but at the same time expresses fear that this measure may involve loss to Govt.

He expresses a strong opinion against the employment of Assistant Superintts for the purpose of assessing the excise duty, and observes that it will be impossible for an Officer to visit each garden in every Hobli 2 or 3 times a year.

He is also opposed to making the cultivator responsible for the excise duty, as the demand, if made when the market is unfavorable, would compel him to sacrifice his crop in order to meet it. The Deputy Superintendent adds in conclusion, that he dissents generally from the Deputy Accountant General.

Deputy Superintt of Hassan

Letter appended to Supdt's No 1792/73 of 18th January 1871.

The Deputy Superintt considers that a simpler plan than that proposed by the Hd Accountt for collecting Tobacco duty would be to levy an increased rate of assessment on the land itself, a practice which was formerly in existence. But as this plan would be beset by difficulties in Nagar, he thinks that the precaution taken in Bangalore of making the Shanbhog's presence necessary when picking the crop, may be more generally adopted.

Should it be desirable to remit the duty on piece goods altogether, the Revenue could be made up by imposing a tax on Weaver's Houses, which are now exempt, or by increasing the Loom tax.

Deputy Superintt of Shimoga

Letter to Supdt No 570 of 17th Feby 1871

Looking at the fact that there has been no appreciable rise or fall in the Revenue realized from Sayer, the Deputy Superintendent does not see that the present system has proved a failure but taking into consideration that the Revenue ought to expand under efficient control, he is inclined to think with the Deputy Accountant General that the supervision now exercised is imperfect. He suggests that the Cutte system may be adopted, the only difficulty in doing so being the localization of Cutts. An increased number of Cutts would lessen the range of the Cutte servants when patrolling, at which time they frame rough Estimates, a circumstance to which the Deputy Superintendent attaches much importance.

Deputy Supdt of Hadoor

Letter to Supdt No 718 of 12th Jany 1871

The Deputy Superintt concurs with the Assistant Narrappah in considering that the proposal to assess the duty on standing crops is impracticable. His view to remedy existing defects is to insist on all dutiable articles being taken at once after being reaped to the nearest Cutte, or to buildings to be erected for the purpose in the Hobli Head Quarters of each Shaikdar. This being done the goods may be bonded or not according to the option of the trader. In this case duty will be levied on the quantity taken out of bond, and in the latter a Paladarri will be granted on full payment of dues for the whole Stock.

Deputy Superintt of Chitaldroog

Letter to Superintt No 651, 2/16 Decr 1870

He considers that the method of assessing duty proposed by the Deputy Accountant General would be an unfair one since its effect would be to recover Government dues on an assumed instead of an actual quantity, and would moreover be found impracticable as it would impose much labour on Revenue Officers, besides giving rise to interminable disputes between the assessor and the assessed, as to the accuracy of the Estimates taken.

Regarding Piece goods, he is of opinion that a reduced rate of 3 per cent may be levied on all Cloths, and he sees no objection as a means of check to an Estimate being taken of all manufactured goods, and also Sooparee for eventual comparison.

Abstract of certain proposals submitted by the Deputy Accountant General with reference to revision of the existing System of levying Sayer Duties and the opinions of the Superiors thereon as contained in the following Correspondence.

From Dy Acct Gl No 1701 dy 16th Sept 1870.
— u — Supert Rangd No 5076/168 dy 16th January 1871.
— u — u — Akyab No 1792/93 dy 18th — do —
— u — — — Nagar No 4436/145 dy 22nd Febr 1871.

ral with reference to a revision of the existing system of levying Sayer duties and

Superintendent of Ashtagram.

Vide letter No. 1792/93 of the 18th January 1871.

The Superintendent observes that both his District Officers admit the necessity of a modification of the present system of collection & that they differ from the Deputy Accountant General as to the mode in which the remedy is to be applied. As regards the Agency to be employed for collecting the Government dues he is of opinion that the present is the best, for more than one, if properly worked. He differs from the Deputy Superintendent of Mysore as to establishing Sayer Cuttés, as the Revenue is insufficient to maintain them effectually, and they will also tend to relieve the Talook Officials from responsibility. He is also opposed to Captain Hill's proposal to raise the land assessment, and thinks it would be sufficient as a means of check, for all produce liable to excise to be estimated on the ground by the Shanbhog, entered in a separate Register and in the Ryot's Puttah, certified by the Shekdar, and tested by the Amildar, and the Settlement Officer during the Jamabundy.

The Superintendent thinks it would be impracticable to make Assistant Superintendents directly responsible for assessing the excise on crops suggested by the Deputy Accountant General, but sees no objection to their supervising the working of the present system if placed in direct charge of Talooks under the Deputy Superintendent. He advocates that the excise should be levied from the ryot leaving him to make the amount by enhanced prices.

With regard to piece goods he proposes the entire abolition of duty on cloths, the loss arising therefrom being made up by increasing the rates of tax on Looms.

Superintendent of Nagar.

Vide letter No. 4436/145 of 22nd February 1871.

In submitting the reports of his 3 Deputy Superintts & of his Assistant Narrappah he specially mentions Lieutenant Colonel Elliott's report, as coming from an Officer who has had larger experience in the working of the Sayer system than the others, and points out that these Officers are unanimous in considering that the process of assessing Sayer by estimating the crop as suggested by Mr Hudson, is not only without advantage but also impracticable. His own opinion is, that the present system though defective is infinitely preferable, and that any attempt to estimate the produce of Sooparee, Coffee, or Tobacco grown on numerous holdings, and some of them scattered over the wildest parts of the Country, by a limited native Agency, would be a gigantic sham. He therefore considers with Lieutenant Colonel Elliott that the only plan would be to revert to the old system of attaching each tract of Country to a particular Sayer Cutté, obtaining returns from each ryot of the produce and the persons to whom the sales were made, for comparison with the accounts of such Cutté

Referring to Captain C. J. Pearse's proposal for erecting bonded ware houses, the Superintendent states that he is not prepared to advocate it, and assigns among other reasons, that he is not aware whether it has been decided to merge the "halut" with Land Revenue, when assessing Sooparee gardens under the Survey and Settlement or to continue the present duty.

Adverting to piece goods he forwards an original letter from Mr P. Krishna Row the Offg Deputy Supttt of Chitteldroog (No. 562 of 1st November 1870) on the subject, and observes that when Government ordered the abolition of all export and import duties to and from H. H.'s Territories it was clear that Mysore could not levy import duty at the frontier on articles brought into Mysore, but it did not necessarily follow that this implied a surrender of an excise duty levied indiscriminately in Mysore in contradistinction to an export duty imposed only if articles passed the frontier. He therefore considers that there is no reason for exempting piece goods taken to H. H.'s Territories from duty, except the well known fact that Mysore manufactures are placed at a great disadvantage and are considerably affected by the tax.

Abstract of certain proposals submitted by the Deputy Accountant Ge
the opinion of the Superintendents thereon.

Deputy Accountant General. Vide letter C. No. 1701 of the 16th September 1870.	Superintendent of Nandidroog. Vide letter C No. 5076/168 of the 16th January 1871.
The Deputy Accountant General premises by ob= serving that according to the Chief Commissioner's Noti= fication of 26th October 1864, all export and import du= ties were absolutely relinquished, "Sayer being retained only on articles produced within the Province and intend= ed for Home consumption" and as the Sayer Proclama= tion of 1860, provided for the levy of an excise on imported articles only, no mention being made regard= ing duty on exports, the allusion to the abolition of such (export) duties in the Proclamation of 1864, may with other causes, have led to the error that produce, if exported, was exempt from excise, and this assumed exemption has led to abuse and has enhanced the difficulty of recovering the excise, gene= rally.	The Superintendent observes that the conclusion drawn by Mr Hudson in his opening remarks are based, he conceives to be what an erroneous view of the intentions of Govt and of the Chief Commissioner's Notification of 1864. He explains that t omission (referred to by Mr Hudson) in the proclamation of 18 to provide for duties being levied on exported articles was of consequence, inasmuch as under the Sayer Rules a duty was imposed on goods at the place of production and on or removal, and as it is provided in that Proclamation (of 186 that "Rahadarries obtained at the place of exportation after payment of duty will cover the transit of articl to any other place without hindrance", any further pro= vision for the levy of export duties was unnecessary. While admitting that it is a question whether this state is not fully warranted in levying Sayer duty formerly on all goods produced in this province, whet retained for home consumption or sent over the Fronti the Superte maintains that the policy followed sinc 1865, was not the result of a misapprehension, but reasonable construction of the abolition order.
After reverting to the mode in which the excise is levied upon Sooparee, Tobacco, Cocoanut and Betel, he observes that there being no means of subsequent detection, the temptation to fraud is great, and it is more to the advantage of the Shanbhog, Shaikdar, and Potail (who receive a remuneration of only 5 per cent on the duty collected) to receive a higher bribe which the dealer would pay to evade the payment of duty.	The process of assessing standing crops as descri by the Deputy Accountant General is almost identical wit that now followed with respect to Sooparee and Tobacco, th perhaps in a somewhat imperfect manner since the abolit of the Sayer Establishment. The whole difficulty therefor the Superintendents opinion, lies in the question, as to how t measures may be carried out with the existing agency.
The remedy proposed by the Deputy Accountant General is to assess the excise on all standing crops first, making the cultivator primarily responsible for the payment of the duties, the collection of which must be made at the place of production, no exemp= tion being made for alleged exportations. Thus the valuation of Sooparee and Cocoanut produce could be based on the number of trees in bearing, while that of Tobacco and Betel leaves on the area under culti= vation. These details to be ascertained by Talook Officials and the work of assessing the excise to be conducted by an Officer not below the rank of an Assistant Superintendent.	After fully considering the subject the Superte is o opinion, that the concession granted by Govt relinquishe export duties on Opium, Dry & Green Cocoanuts, betel lea & Cloths should be continued, and that in order to better se the duty payable on produce retained for home consumpti as well as the excise on Sooparee, Tobacco, and Coffee also necessary, a moderate Sayer Establishment should be form
Piece goods. The Chief Commissioner's Notifi= cation of 28th May 1870 recognizes the practice of exempting exported piece goods from duty. In order to secure the excise on cloths retained for home con= sumption some check is necessary, and with this view he suggests that estimates may be furnished to Deputy Superintendents, shewing the quantity of cloth manufactured, exported and retained for home consumption in each Talook.	From a comparison of the Sayer Revenue realized 1863/64 and 1869/70 a loss of 70,000 Rupees is observed. Assume that Rs 20,000 represents the relinquished duty on exports imports the net loss is 50,000 Rs in the Nandidroog Dis alone, attributable to the general reduction of the Sayer = tablishment. This sum is further reduced by Rs 3538-1-5 b the remuneration awarded to Shaikdars & Village Officer The latter sum is admitted by an useless expenditure, and Capt Clarke that it would go far towards maintaining Sayer Establishment, such as he recommends, the cost of which he was then unable to determine.
Coffee. Stricter supervision seems to be exercised over Coffee grown on Estates owing to their having boundaries and also to the existence of Cutties and the employment of temporary Mootsud= dies, but he considers it deserving of attention whe= ther Coffee grown in the scattered tracts of the Mulnaad may not be assessed from standing crops.	The Supttes plan would however be to appoint a Sayer e = ssedy to a certain number of Hobles in each Talook, w the production of dutiable articles is very limited, one = ficial may probably be able to superintend 2 or 3 such divisions with power to grant Rahadarries up to a certa limit of valuation.
	The Superte is sanguine that the Sayer Revenue woul appreciably increased by the introduction of a special Agency w sensible of its retention being dependent on the proper collection Government dues.
	In conclusion the Supts remarks that the proposal of the Dy of Soomkood to farm out the Sayer revenue by Talooks is only degree less objectionable than that for giving the contract for la

To Ch. Com.

The Bungalow & Police Reports contain points for consideration. 28.1.

3.2.71.

A Tahsildar's Police Training will be proposed during the joint Col. Dy Insp. Gs. Inspections under each Superintendent and Examples of separate Cols. Reports from each Supt. & Accompany the Reports of each Dy Supt. might be

From The Superintendent Nandidroog Division.
To The Secretary to the Chief Comr of Mysore.
Dated 27th January 1871
Despatched ——
Received 3 February.
Enclosures No. 3

General No. 320 3 } 1870.71.
Law No. 175 }

Com Docket No. 5352/136 of the 23d Instant.

Has the honor to forward the reports of the Deputy Superintendents of this Division, on the subject of the revision of the Sager System as requested in the above. —

Superintendent
for Dy. Superintendent

similarly [illegible]
in a [illegible]
statement [illegible]

Dick

[illegible]
[illegible]
[illegible]
[illegible]

General No 868
" 427.

Toomkoor District.
Deputy Superintendents Office
Camp Bookapatna via Talook
8th December 1870.

To

The Superintendent of the
Nundidroog Division

Sir,

In reply to your Circular No 4468/370 of the 19th ultimo giving cover to the marginal Docket (in original) from the Secretary to the Chief Commissioner, with a copy of the Deputy Accountant Generals letter regarding Sayer Revenue for opinion, on the proposals made in the latter. I have the honor to state, that I fully agree with the Deputy Accountant General in considering that the acceptance of Captain Taylors Tender to farm the Sayer Custom on the terms proposed by him would entail a loss of Revenue, and other collateral evils.

No 4443/24 of the 12th November 1870.

2. If the Sayer is to be let on Contract, I would suggest, that it be given out Talook by Talook proper security being taken in each case for the due fulfilment of the Contract. This system would be more advantageous to Government than farming out the District as a whole as loss in any one Talook would be covered by enhanced

Revenue

Revenue in another -

3- With regard to the proposal, contained in para 8 of the Deputy Accountant Generals letter, that an assessment be imposed on the number of Kúpári or Cocoa-nut Trees, in bearing or the area occupied by Tobacco and Betel leaf Crops. I think, this would tend to discourage the Cultivators in a great measure, as a Ryot possessing a Garden consisting of 1000 Kúpári, or Cocoa-nut Trees, yielding about 100 Inamds of nuts pays a Tundayem of Rupees 60/ and the imposition of Sayer duty, in addition, at the existing rates of 12 - Annas per Inamd, would amount to Rupees 75/ in all Rupees 135/.

4- Further, it frequently happens that a Ryot, if he holds several pieces of land, does not cultivate Tobacco on the same piece every year; and if the Area on which this is grown is to be assessed an Official must be solely deputed to examine what pieces were cultivated with Tobacco - which I need scarcely say would entail unnecessary labor and confusion -

5- Under these circumstances, I am of opinion, that an Excise duty might be levied on all Articles produced within the Province and intended for exportation beyond its limits - This system might also be adopted in respect to Piece Goods - or

one

No. 789

Deputy Supdts Office
Bangalore District
Bangalore 29th November 70

To

The Superintendent
Nundidroog Division

Sir,

With reference to your Docket No. 4168/370 dated 19th Instant enclosing a letter from Mr. Hudson containing suggestions regarding the future mode of recovering Sayer duty on Tobacco, Betel leaf, Cocoanut and areca nut and calling for opinion, I have the honor to observe that Mr. Hudson in Para 7 of his letter suggests that the outturn of crop should be ascertained and an assessment fixed accordingly. Is it meant thereby that each crop is to be assessed every year according to the probable outturn of the year? I suppose not, as this would be difficult to work out in practice, and the same objections might be raised against this system as against the present. If the assessment is meant to be levied on the area of land bearing tobacco &c., I am of opinion that such a plan would have a great many advantages on the present.

2. This is how I consider the plan should be carried out - I would ascertain with great care, through the highest Talook Official and by means of every Native and European Assistant Superintendents available the average outturn of a Coodoo of land of each kind of crop, whether Tobacco. Cocoanut

Cocoanut, Betel leaf or areca.

3. Having found out what the present excise is on such average outturn, I would deduct $\frac{1}{10}$ th as a fair reduction for bad crops (of course in the case of new plantations of Cocoanut and areca no excise assessment would be levied until the sixth or seventh year when such trees come into full bearing).

4. Having deducted $\frac{1}{10}$ th as above stated from the excise duty now leviable on the average outturn of the respective crops under consideration I would consider the balance as the excise assessment for one Coodoo of such crops, and would substitute such assessment for the ordinary assessment as long as these special crops are grown thereon.

5. The moment the ryot discontinues the cultivation of such crops he becomes liable to the former assessment only. Such relinquishment of cultivation of special crops should be made to the Amildar at the period of sending in Razeenamahs.

I have the honor to be
Sir
Your most Obedt. Servt.

Asst

Offg Deputy Supt

Gpg

Remarks of the Deputy Superintendent Kolar District on the suggestions of the Deputy Accountant General, to the Chief Commissioner about the collection of Sayar Revenue.

Reference	Remarks.
Paras II and III of the Deputy Accountant General's letter to the Secretary to the Chief Commissioner wherein the question of farming out the Sayar Customs is discussed.	The Deputy Accountant General seems to be rather against the arrangement, but I am disposed to think that farming out the customs is preferable to the present Amani management. There are only 8 articles noted in the margin, upon which the Sayar duty is now collected. Of these excise duty is levied on the 3 first named articles, without reference to the place of their production
× Coffee Supari Tobacco Cocoanuts (dry) Cocoanuts (raw) Betel Opium Piece goods of local manufacture for home consumption.	

production, importation
or exportation; and the
rest are liable to Sayar
duty only if produced and
consumed at home;
those that are exported
to, and imported from
Her Majesty's territories
being exempt from the
same. I think Cocoanuts
both raw and dry, and
betel may be added to
the list of those upon
which excise is now levied,
leaving opium only on which
the Sayar duty to be levied,
when once it passes from
the hands of the Ryots
to those of the merchants
in the Province, no
matter why it was pur-
chased, whether for
home consumption or
exportation; and strike
off piece goods from
the list altogether,

the

2

I need not say the extent of fraud which this practice gives rise to, and it is impossible to put a stop to the practice, as we cannot restrict the movements of the Shanbog and Shekdar, who are compelled to be frequently absent on duty from their Head Quarters.

2 The percentage now allowed to them as remuneration for their supposed duties is only a loss to Government, while it is no gain to them. For I have reasons to think that it goes away to the pocket of some body else. In many instances the amount is so little and hardly worthwhile for them to demand at the risk of the displeasure of the Police Subordinate who checks

Para III wherein the Dy. Accountant General observes that the non-provision in the Rayar Proclamation of 1860 for the imposition of export duties, while import duties were provided for led to some misunderstanding and error which caused loss to Government.....

Para IV wherein the Dy. Accountant General states that the mode of levying duty upon betel leaves is the same as that observed with regard to Supari, Tobacco, and Cocoanut and classes Cocoanut with betel as of perishable quality, and consequently not retained long in store

check their accounts and who can easily get a receipt from them for what is shewn in the accounts as disbursed to them.

3 No provision appears to have been necessary in the Proclamation of 1860 for the imposition of "separate export duties" on home produce, as it is clearly stated in it that duty should be levied on the articles at the place exported from, wherever they may be taken afterwards.

4 Cocoanut (dry) is not perishable like betel leaves. The former may be stored and kept for one or two years while the latter cannot be kept for more than a few days after they are cut. The mode of levying duty too, upon betel leaves is not the same as observed

observed with regard to Supari, Tobacco and Co: : coanut. duty is levied on betel leaves as soon as they are cut and bundled, without waiting for a purchaser, as in the case of Supari, Tobacco and Cocoanut. Generally the grower himself takes the leaves to market and sells them.

Paras VI and VII. Means of evasion of Sayar duty and remedial measures suggested.

5 What the Dy. Accte General says regarding the temptations which the present system offers to the village officials, and their inability to attend to this duty prop: : perly, in consequence of their having other regular duties to perform in quite time. The fraud of the nature referred to is more capable of being practised in the villages adjoining Her Majesty's

Territories

Territories and with re-
:gard to articles sold at
the place of production
for actual consumption
there; for the Rahadari
system acts as some
check with regards to articles
exported, as a man who
takes these articles without
a Rahadari for them will
incur the risk of their being
confiscated and himself
punished according to the
Sayar Rules. - What the
Deputy Accountant-Gen.
now suggests, as a preventive measure
has been
in practice since time
immemorial. Revenue
officers first take a list
of trees (Supari and
Cocoanut) bearing fruit,
in the harvest season.
The Sayar Servants then
estimate the crop, make
allowances for the Ryots'
home consumption, ascer-
:tain the quantity stored

by

by him for sale, and constantly examine the quantity upon which duty has been collected, and the quantity still left for sale in store. If any deficiency is discovered, the Ryot is held responsible for it.

Para VIII. Mode of assessing Supari, Cocoanut Tobacco, and Betle crops and the officer by whom the duty is to be performed

6 In the concluding part of this para, the Deputy Accountant Genl. proposes that no officer below the rank of an Assistant Superintendent should have the power of making the assessment finally; but it is to be observed that if the assessment is to be made upon the Estimates prepared by the Talaiti officials as proposed by the Deputy Accountant General no advantage can be gained, the work being merely to fix the assessment according to the rates in force, which can be done by any body. But if the Assistant Superintendent

Superintendent is to make the estimates himself, it appears to be next to impossible, even with the present large staff of Assistant Superintendents, as he will then have to inspect each garden or field, in each village of the district, a duty, which even the Amildar of the Taluk, cannot find sufficient time to do, without detriment to his other important duties - especially now, when he has been deprived of the help of the Peshkar.

Para IX. Period of collection and Ryots' primary responsibility.

7 It appears to be difficult to fix as suggested by the Dy Accts General a Month in which the duty should be held due. It is collected on Supari, Tobacco and Dry Cocoanuts, whenever a Ryot sells the article and that depends upon the market. As these articles

As I think that no measures can succeed fully remedy the present evils arising from the imposition of a Sayar duty on local manufactured piece goods consumed in the province while other piece goods are free from all duty, I would strongly advocate the abolition of this item; and the amount which the Government may lose from this may be covered by excise duty being levied on cocoanuts and betle as on Supari &c. &c. Vide remarks on (paras 2 and 3); and if this cannot sufficiently cover the loss, there adjustment of Inhabitants will

no

no doubt secure the object.

Deputy Supdtg Officer
Kolar District
Kolar 8th December 1870

B. Krishnayya
Deputy Superintendent

From 1870 / 71
The Superintendent of Vaccination Division
To The Secretary to the Government of Bengal
Dated the 18th January 1871
Despatched 18
Received 20th "
Reg. 28th "
Enclosures No.
General No. 50/67 1870/71
Or No. 118

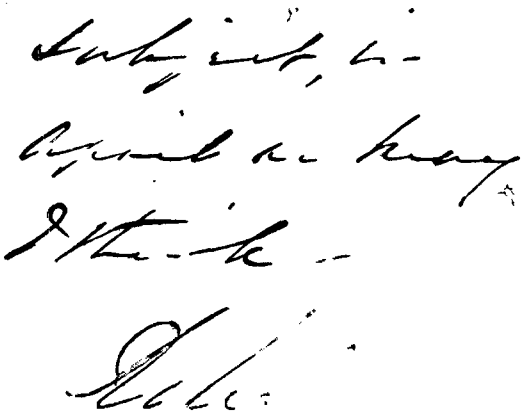
Your No. 4243 of the 12th November 1870
Remarks on the proposals for the revision of the Vaccine System.

Sd. C. Buckley
20.1.71

21.1.71 –

The enclosures appended to this form the last portion called for in the 2nd para of the Govt. letter of 18th directing the abolition of the Export & Import duties & the Notification issued thereon also the Notification issued by the Govt of

23/1/71



General 5076
C/o A 1168

Saugor Division,
Superintendent's Office
Camp Hindupur 16th Janry 1877

To

The Secretary to the
Chief Commissioner of Oude

Sir,

With reference to your Circular No. 4443/24 of 12th November last, calling for an expression of opinion on the proposals of the Director General for the revision of the Major Settlements in this Province, I have the honor to submit the following remarks for the consideration of the Chief Commissioner

2. In my letter to your address No. 3029/98 of 14 Decr 76, I described the causes which have led to the failure of the present Settlement, and which necessitate the adoption of some decisive measures for its reform. Until this is done, it would be premature to remark upon the details; to consider any proposals for framing rent rolls or collections.

3. The

3. The remedy proposed by the Deputy Accountant General is to levy the excise on all dutiable articles at the place of production and to allow an exemption for alleged exportation, and he proceeds to sketch a scheme by which it will be practicable to ascertain by local inspection, the amount of production in respect of all such articles, and thus to ensure, in some measure, the full realization of the duties payable on them to Government.

4. This scheme is however founded on what I conceive to be an erroneous view of the intentions of Government and of the Chief Commissioner's ratification of 1864 declaring the abolition of Export duty on all articles exported to or imported from Her Majesty's territories. But I do not argue on understand that because there was no provision contained in the Proclamation of 1864 for the imposition

imposition of separate export duties,
there could have been no intention
in the subsequent Notification of
October 1865 to abolish such duties, and
that consequently the practice which
has been observed since 1865 of exempting
from duty all exported articles other
than Coffee, Cinchona and Tobacco, which
are specially reserved from the operation
of the Notification of 1865 by the Secretary's
Circular of 12th November of that year)
has arisen through a misapprehension
of the orders or intentions of Government.

5. The provision in the Proclamation
of 1850 to provide for duties being levied
on exported articles, is explained by the
fact that under the Dutch Rule, the
duties were imposed on goods at the place
of production and on sale or removal,
and it is provided in the Proclamation
that Permits or Cocketts obtained at the
place of exportation, after payment of duty,
will cover the transit of articles to any

other

other place within the Province." There was no occasion therefore for providing further for the levying of Export duties in Rupert's Land, and it does not appear that it is to be understood that the export duty abolished by the order of the Government of India is to be distinguished from that which under the old system of the country has been enforced, on Furs, or certain articles produced within the Province and exported either to other localities within the Province or to other adjoining states.

6. As to certain questions of doubt which have arisen, whether this State is not fully answerable for injuries done by persons formerly or all articles produced in the Territory, whether consumed within its limits or sent over the frontier, but it is submitted that this policy which has been followed since 1865 in treating all chargeable articles designed for exportation to the Territories

on

as coming within the scope of the ab-
olition order, is not the result of any
misapprehension but a reasonable con-
struction of that order, which declares
that Tobacco should be "retained only on
articles produced within the province,
and intended for home consumption."
7. The remedial measures suggested
by the Hon'ble Members are based on what I
consider, perhaps erroneously, to be an
entirely erroneous interpretation of the Order
of Government. These measures
consist of already stated in estimating
and assessing beforehand the outturn
of all crops liable to duty, by local
enquiry and verification of the village
accounts, and Warehousing; are already
taken in respect of the 3 items of Coffee,
Cocoa and Tobacco, upon which an
Excise duty has been specially reserved
by the late Chief Commissioner. The
process described by the Accountant
General in para 8 and in the latter

part

Yes, but it was always a local Sayer duty — not an Export-duty on Tobacco.

hurt of Sugar is nearly identical with that now followed in respect of Sugar and Tobacco, through the abolition of the Sugar Establishments in every instance probably. An account in lieu of the produce of Coffee plantations, I believe, because such an system would be inadmissible on at least distant Estates. European planters but the same is applied by our Establishment in the Coffee producing Districts, of Mauritius and Bourbon, to secure the Duties being paid on all exported produce.

8. While therefore the method of estimating the production, proposed by the Hon. Accountant General, is substantially the same as that which has hitherto been in full operation, the only question that remains to be determined is how to carry out the measure in the most advantageous manner. The whole difficulty lies in this

is therefore irrecoverable unless this is a measure contemplated by the Deputy Accountant General, be adopted. The net loss therefore resulting immediately from the general reduction of the Sayer Establishments has amounted in this Division alone, to 50,000 Rs per annum, while looking to the growing wealth of the country, increased cultivation and reduced assessments, an opposite result might have been looked for.

11. The existing revenue is moreover further diminished by the payment of the percentage allowances granted to the Mukkadams and Village officers. The disbursement on this account amounted in 1869/70, to Rs 35538-1-5. The Paragraph of this letter under reference Mr Anderson has remarked that the payment of this commission to these officials is wholly ineffectual to secure their honesty, as whenever the owner of the goods makes it more profitable to them as well as themselves

himself to bribe them. There is only one opinion I believe as to the expediency of doing away with this needless expenditure. The saving in would go far towards the maintenance of a small Establishment such as I have recommended.

12. I have not at hand the means of stating precisely the cost of a reformed Lazaretto Establishment but the details for which I have called, will enable me I hope, to do so shortly. The arrangement I have in view is to appoint a Lazaretto Master to ascertain the number of Rabbits in each Cabook. the many Rabbits, the production of dutiable articles is so trifling that one official could superintend two probably a group of 2 or 3 such subdivisions. He would have one person to aid him, and his duty would be to move constantly over his range, to make himself fully acquainted with its resources in respect of

of

of duty paying produce, and generally to exercise such a control as would prevent smuggling. He would be authorized to grant Rebates on payment and otherwise, up to a certain limit of valuation and with respect to consignments of higher value, he would be required to obtain the Auditors verification. These are the duties which more properly fall upon the Checker, but it is unnecessary to state that they are very imperfectly performed, owing to the multifarious duties which are already imposed on that official.

13. There cannot be a reasonable doubt that by the introduction of a special agency, entirely devoted to this branch of the revenue, and made responsible for its retention being dependent on the proper collection of the Customs dues, the Government would hereafter give an appreciable addition to the State funds, and for more than cover the cost of the

the Establishment.

14. I beg to forward the reports of the several Dy. Superintendents whose opinions were also called for. Major Mottet offers no opinion on the general question. Mr. Strahmiengar recommends that the Sayer collections on all articles but Piece goods, should be farmed out, on the ground that the Government management has proved a failure. Major Bruce suggests that the revenue from Sayer should be farmed by Talooks — a proposal only one degree less objectionable, than that of giving the Contracts for larger areas. In my opinion

I have the honour to be,
Sir,
Your most Obedt. Servt.

Signature illegible
Offg. Superintendent.

Ent- received
No 5